GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:399
ANSWERED ON:20.02.2003
ROYALTY ON CRUDE
MONI KUMAR SUBBA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Committee set up to evolve a new scheme of royalty on crude has submitted its report ;

(b) if so, the details of the scheme recommended by the Committee ; and

(c) the action taken by the Government thereon ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLUEM & NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (c): Government had constituted a Committee in April, 2000 to devise a New Scheme of Royalty on indigenous crude oil from areas out side New Exploration Licensing Policy (NELP) regime.The Committee submitted its Report in November, 2001 and had, interalia, recommended the criteria for determining royalty on crude oil, the royalty rate / rates, the principles for periodic revision and consequential amendments in Rules and Acts, if any. The Government had considered the Report of the Committee.On 04.02.2003, the Government approved the proposal of the Ministry of Petroleum & Natural Gas regarding the New Scheme of royalty and revision in the rate of royalty on indigenous crude oil from 01.04.1998, from which date dismantling of Administered Pricing Mechanism (APM) was initiated by the Government.